

MEMORANDUM

EXECUTIVE SESSION

April 3, 1975

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT T. KENNEY, DIRECTOR

SUBJECT: ESTABLISHMENT OF FAIR MARKET VALUE
CAMPUS HIGH SCHOOL - MASS. R-129
PARCEL 90-1

The Department of Housing and Urban Development, in letter dated October 12, 1973, has notified the Authority that the price for the captioned parcel should be modified in accordance with H.U.D. regulations set forth in H.U.D. Real Estate Property Acquisition Handbook 1320.1, Chapter 2, Paragraph 22(b).

In the same letter, H.U.D. also notified that it had modified this price on its records as follows:

| <u>Parcel</u> | <u>Price</u> |
|---------------|--------------|
| 90-1 | \$126,000 |

The particular Handbook reference, noted above, covers the procedure to be followed when the L.P.A. disagrees with the recommendation of the Review Appraiser. It reads as follows:

"With respect to any property for which the governing body or other appropriate body or official of the Agency does not agree with the review appraiser's determination of fair market value, the Agency shall submit to H.U.D., for determination of the acquisition price, all appraisal reports on such property, the report of the review appraiser, a statement of the determination of fair market value proposed by the Agency and its justification therefor."

Although the Authority is now empowered to establish prices, it should be noted that the H.U.D. Handbook, 1320.1, Chapter 1, Paragraph 8, also provides, in part, that "No part of the acquisition price paid pursuant to negotiation, stipulation, or other agreement, which is in excess of the amount determined by the Agency (in accordance with the provisions of Chapter 2 of this handbook) to be just compensation for the property acquired, shall be eligible for HUD financial assistance...".

In view of the H.U.D.'s notification and the pertinent sections of the H.U.D. Handbook, regarding the establishment of fair market value, it is recommended that the Authority rescind its vote establishing the fair market value of the parcel shown above and vote to establish the fair market value in accordance with H.U.D. regulations.

An appropriate Resolution is attached.

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: ESTABLISHMENT OF FAIR MARKET VALUE IN
CAMPUS HIGH SCHOOL URBAN RENEWAL AREA PROJECT NO.
MASS. R-129

WHEREAS, the governing body of the Authority (the Board) at a regular meeting on April 19, 1973, adopted a Resolution entitled "Resolution of the Boston Redevelopment Authority Relative to the Establishment of Fair Market Value for Properties to be Acquired", and

WHEREAS, the parcel was appraised by at least two independent fee appraisers, was reviewed by staff appraisers, and the value recommended by the Real Estate Director and concurred in by the General Counsel, and

WHEREAS, the Authority, at a regular meeting held on August 9, 1973, voted to establish the Fair Market Value of this parcel, and

WHEREAS, on October 12, 1973, the Department of Housing and Urban Development has requested modification of the Authority records,

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:
THAT, (1) the Fair Market Value established for the parcel shown below is hereby rescinded:

| <u>Parcel</u> | <u>Owner</u> | <u>Price</u> |
|---------------|-------------------------|--------------|
| 90-1 | Dean Transportation Co. | \$144,000 |

THAT, (2) the Fair Market Value of this parcel is hereby established as follows:

| <u>Parcel</u> | <u>Owner</u> | <u>Price</u> |
|---------------|-------------------------|--------------|
| 90-1 | Dean Transportation Co. | \$126,000 |



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AREA OFFICE
BULLFINCH BUILDING, 15 NEW CHARDON STREET
BOSTON, MASSACHUSETTS 02114

AREA OFFICES
Boston, Massachusetts
Hartford, Connecticut
Manchester, New Hampshire

REGION I
REGIONAL OFFICE
BOSTON, MASSACHUSETTS

OCT 16 1973

IN REPLY REFER TO:

1.1PTV

Mr. Robert T. Kenney
Director
Boston Redevelopment Authority
City Hall
Room 900, 1 City Hall Square
Boston, Massachusetts 02201

Dear Mr. Kenney:

Subject: Boston, Mass. R-129
Campus High School Project
Land Acquisition
Proclaimer Certificate No. 2

RECEIVED

OCT 16 1973

BOSTON REDEVELOPMENT AUTHORITY
OFFICE OF THE DIRECTOR

Based upon a recent review of your agency's acquisition proclaimer procedure by this office it has been determined that prices for two parcels included in Mass. R-129 certificate No. 2 have been established improperly in violation of regulations set forth in HUD Real Estate Property Acquisition Handbook 1320.1, Chapter 2, paragraph 22(b).

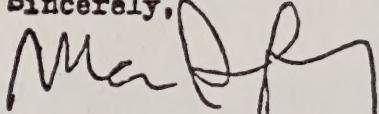
Agency Disagreement With Review Appraiser's Determination
"With respect to any property for which the governing body or other appropriate body or official of the Agency does not agree with the review appraiser's determination of fair market value, the Agency shall submit to HUD, for determination of the acquisition price, all appraisal reports on such property, the report of the review appraiser, a statement of the determination of fair market value proposed by the Agency and its justification therefor."

The prices for parcels 96-B1, 96B2-1, 96B-6, 96B-10, 96B-11 and 90-1 included in certificate No. 2 are hereby modified as follows:

| <u>Parcels</u> | <u>Price</u> |
|-----------------------|--------------|
| 96B-1, 96B2-1, 96B-6, | \$1,040,000 |
| 96B-10, 96B-11 | \$ 126,000 |
| 90-1 | |

Kindly amend your agency's records to reflect the above modifications and forward evidence thereof to this office.

Sincerely,



Edward T. Pollack
Acting Area Director